

10 August 1976

OFFICE OF PERSONNEL MEMORANDUM NO: 20-31-39

SUBJECT : Pay Adjustments for General Schedule Supervisors of
Prevailing Rate Employees

REFERENCE: FPM Supplement 990-2, Book 531, S3

1. GENERAL

Under the provisions of Title 5 U.S.C. 5333(b), and under regulations prescribed by the Civil Service Commission, an agency is authorized to make a special adjustment in the pay of a supervisor in a General Schedule position who regularly has responsibility for supervision over one or more Wage Board employees. The pay authorized may be at one of the rates for his or her grade which is above the highest rate of basic pay being paid to any such prevailing rate employee regularly supervised, or at the maximum rate of the grade. In determining whether to use the authority under Section 5333(b), the agency must consider (a) the relative rate-ranges of the supervisor and the prevailing rate employee supervised by him or her as well as the specific rate either is receiving at the time, and (b) the equities among supervisors in the same organizational entity as well as the equities between the supervisor and the prevailing rate employee supervised by him or her. It is Agency policy to generally follow the provisions of Title 5 U.S. C. 5333(b) and the Commission's regulations as set forth in Subchapter S3 of Book 531, FPM Supplement 990-2, for pay adjustments for GS supervisors of prevailing rate employees. Since the supervisor's pay adjustment is permanent, the grant of the increase must be carefully reviewed. An assignment which is rotational or "tour" in nature does not qualify in the sense of permanent as permanent is used in this OPM. The permanent nature of the assignment will be certified to by the appropriate Career Management Officer and the pay increase approved by the Director of Personnel.

2. DEFINITIONS

As used in this Memorandum:

a. "Prevailing rate employee" means an employee whose pay is fixed and adjusted from time to time by a Wage Board or similar administrative authority as nearly as it is consistent with the public interest in accordance with prevailing rates.

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b. "Rate of basic pay" means the rate of pay fixed by law or administrative action for the position held by an employee before any deductions and exclusive of additional pay of any kind.

3. REQUIREMENTS FOR ENTITLEMENT

To be entitled to a pay adjustment, the supervisor must have (1) regular responsibility for supervision (which must include supervision over the technical aspects of the work concerned) over one or more prevailing rate employees, and (2) a rate of basic pay less than the rate of basic pay for the prevailing rate employee being supervised.

a. Responsibility for Regular Supervision. A supervisor regularly has responsibility for supervision when this responsibility is a continuing, permanent assignment. Additionally, a supervisor has responsibility for supervision (including supervision over the technical aspects of the work concerned) when he or she has relatively frequent personal contact with the prevailing rate employees in the unit in connection with assigned work and when he or she personally or through an intermediate prevailing rate supervisor:

(1) Determines assignments or duties for individual prevailing rate employees;

(2) Makes reviews of work products of individual prevailing rate employees when the reviews require a substantial subject matter or technical knowledge;

(3) Plans and organizes work with primary emphasis or distribution of assignments, workloads of individual Wage Board employees, work item priorities, and schedules for timely completion of work items, projects or cases;

(4) Provides advice, assistance, counsel, or instructions to individual prevailing rate employees;

(5) Evaluates the performance of individual prevailing rate employees; and

(6) Serves as the focal point for discussion of problems arising from, or associated with, specific work products of the unit.

b. Rate of Basic Pay. In comparing the rate of basic pay for a supervisor with the rate of basic pay for a prevailing rate employee, any irregular prevailing rate, such as a retained rate not related to his or her current position and night differential, will

be excluded from the prevailing rate employee's rate. The supervisor's rate of pay will be adjusted to the nearest rate (but not above the maximum rate) of the grade which exceeds the highest rate of basic pay (excluding night differential) paid to any prevailing rate employee for whom the supervisor regularly has responsibility for supervision. When a supervisor in an area receives a cost-of-living allowance or post differential based on hardship, and the prevailing rate employee being supervised does not receive a separately stated cost-of-living allowance or post differential, the cost-of-living or post allowance will be added to the supervisor's rate of basic pay and the total used to adjust his or her rate of pay.

4. PROCEDURES

Form 1152 will be used to effect the pay adjustment for a supervisor meeting the criteria of paragraph 3 above. The Remarks section of Form 1152 will record the basis for the determination of the supervisor's rate and will include the following statement: "Pay adjustment in accordance with FPM-531, Subchapter 3, Pay Adjustment for Supervision. Supervises employees in position numbers: _____, _____, _____. Highest basic rate of pay of Wage Board employee(s) regularly supervised is \$_____. " In addition, certification by the employee's Career Management Officer attesting to the permanent (non-rotational) assignment of the employee must be included in the Remarks section of the Form 1152. The Form will be forwarded to the Office of Personnel for approval

Acting Director of Personnel

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OPM 7-76